FACTS ON FILE
WORLD NEWS DIGEST WITH INDEX
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Week in Headlines

International

Israel withdrew from all Egyptian Sinai except Sharm el Sheikh after UN Assembly called for complete evacuation of invaded Egyptian territory; Israel offered to administrate Gaza as UN area.

Russia, Red China offered aid to Mid-Eastern countries rejecting Eisenhower Doctrine.

4 Arab nations agreed to replace Jordan's British subsidy.

Polish elections upheld Gomulka's "Natl. Communist" regime.

Chou En-lai completed tour of East Europe.

United States

Eisenhower, Nixon inaugurated for 2d terms.

President submitted $71.8 billion balanced budget for 1957-58.

USAF Stratofortresses made 45-hr. nonstop flight around world

Alcorn named GOP chairman.

Ross took leave from Defense post during Army contracts probe.

Died: maestro Arturo Toscanini.

WORLD AFFAIRS

MIDDLE EAST

Egypt & Israel

Israelis Quit Sinai. Israeli forces withdrew into the Gaza Strip & behind 1949 Israeli-Egyptian armistice lines Jan. 22, thus completing their evacuation of the Sinai Peninsula except for a small garrison left in the southern outpost of Sharm el Sheikh [see p. 11E-F2]. 499 Egyptian PWs were turned over to advancing UN Emergency Forces by Israeli Sinai rearguards Jan. 21. They were the first of 5,850 Egyptians to be exchanged for 4 Israelis under an agreement negotiated by the Intl. Red Cross. [See Vol. XVI, p. 434D2]

UN Secy. Gen. Dag Hammarskjöld, in a report on withdrawals from Egypt to the UN Gen. Assembly Jan. 16, revealed Israeli pledges to evacuate the Sinai Peninsula by Jan. 22 "with the exception of the Sharm el Sheikh area." Hammarskjöld said that Israeli Amb.-to-U.S. Abba Eban had proposed Jan. 14 that talks be held on evacuation of the Sharm el Sheikh area & "arrangements for the Gaza Strip" at "an early stage." Hammarskjöld reported that Israel had explained its retention of Sharm el Sheikh as a measure to assure "freedom of navigation through the Strait of Tiran." [See Vol. XVI, pp. 434C2, 425D2]

UN Acts. The UN Gen. Assembly in New York passed Jan. 19 by 74-2 (2 abstentions) a resolution calling on Hammarskjöld to "continue his efforts for securing complete withdrawal" of Israeli armed forces from Egypt. The resolution, submitted Jan. 17 by 25 Arab-Asian bloc nations, was supported Jan. 19 by the U.S., British Commonwealth group, Arab-Asian bloc, Soviet bloc & most Latin American nations. It was opposed only by France & Israel. Cuba & Costa Rica abstained. Hungary & South Africa, both boycotting the current assembly session, were absent. [See Vol. XVI, p. 393D-F2]

The resolution included 2 operative clauses: (1) a statement, adopted by 68-2 (Belgium, Costa Rica, Cuba, Dominican Republic, Ireland, Luxembourg, Netherlands, Portugal abstaining), noting "with regret & concern the failure of Israel to comply with" earlier assemply resolutions calling for complete withdrawals from eariler assembly resolutions calling for complete withdrawals from Egypt; (2) a request, passed by 75-0 (France, Israel, Costa Rica abstaining), that Hammarskjöld report on completion of the Israeli withdrawals within 5 days.

During debate on the resolution in the assembly Jan. 19, Israeli Amb. Abba Eban said: "Withdrawal has taken place in agreed & coordinated phases" from the Sinai Peninsula, "the whole of which will be available" to the UNEF by Jan. 22. "If it thinks only of withdrawal, the Gen. Assembly will be restoring belligerency to Gaza [&] a blockade to the Gulf of Aqaba & the Strait of Tiran." Mahmoud Fawzi of Egypt told the assembly that "the essence of the matter is that Israel should withdraw from the territory which it has occupied since 29 Oct. 1956."

M.C.W.A. Schurmann of the Netherlands asserted that the UN's task extended beyond securing withdrawal to "urgent problems," including "free passage through the Strait of Tiran & the maintenance of peace in the Gaza Strip." Guillaume Georges-Picot of France said that it was not "fair to request the complete compliance of Israel . . . without being certain that the other party [Egypt] will also respect them [UN resolutions] completely."

U.S. Amb.-to-UN Henry Cabot Lodge Jr., addressing the assembly Jan. 17, urged that Hammarskjöld "announce further definite plans for the deployment of the [UNEF] along the Israeli-Egyptian armistice line & in the area of the Strait of Tiran." Lodge Jr., addressing the assembly "move in behind the withdrawing Israeli forces" to maintain the ceasefire in areas which have been "the sites of many hostile actions in the past." [See p. 3D3]

British State Min. Allan Noble supported Lodge's plan in the assembly Jan. 18. He urged that Hammarskjöld "elaborate on the idea of deploying UN forces to act as a shield to separate the parties at sensitive points." Noble said that Israeli forces "should be withdrawn from the Gaza Strip," which "might come under . . . international administration."

Ukrainian UN delegate K. S. Zabigailo charged Jan. 18 that any "proposal to replace the aggressive Israeli armed forces by UN armed forces is directed against the Egyptian people" and would "play into the hands of those who want to maintain an atmosphere of hatred & tension" in the Mid-East. Zabigailo told the assembly that "this objective of fastening American domination" on the Mid-East was sought in Pres. Eisenhower's Jan. 5 "Eisenhower Doctrine" speech. [See pp. 1B1-2C1]

Gaza Strip. Israel proposed Jan. 20 that the Gaza Strip be placed under UN administration with Israel providing & paying for all civil & social services in the disputed area. The proposal, termed a "pilot" plan for settlement of other Arab-Israeli differences, called for withdrawal of all Israeli troops from the Gaza area & inauguration of an Israeli-financed development program for the area. Israeli spokesmen said the plan was considered temporary & would not constitute Israeli annexation of the Gaza Strip. Israel suggested a UN plebiscite to determine the zone's political future. [See p. 11G2]

Refugees. 857 Jews, many 3d & 4th generation Egyptians, left Alexandria Jan. 21 aboard an Intl. Red Cross-chartered ship. Most were reported to be en route to Israel [see p. 11B3]. The U.S. B'nai B'rith reported Jan. 15 that 4,000 Jews had been imprisoned in Egypt under an anti-Semitic program directed by an Egyptian State Security Cadre led by Arabized ex-German Nazis, including Lt. Col. Al Nacher (Leopold Gleim, SS) & Lt. Col. Ben Salem (Bernard Bender, Gestapo). [See Vol. XVI, p. 282B2]

Eisenhower Doctrine

Soviet-Chinese Challenge. A Russian-Red Chinese general policy statement issued Jan. 18 warned that the

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2 nations were "ready to continue rendering [needed] support" for the "peoples of the Near & Middle East" to "prevent aggression & interference in the internal affairs of the countries of this area." The declaration, signed by Premiers Nikolai A. Bulganin & Chou En-lai during talks in Moscow Jan. 17-19, charged that the "so-called Eisenhower Doctrine" was a "colonialist" policy designed to "suppress the movement for national independence & enslave the peoples of these countries." [See p. 10B1-G1]

The Soviet-Chinese declaration (a) called for satisfaction of Egypt's "lawful demand for complete compensation by Britain, France & Israel" [see Vol. XVI, p. 426E1], (b) "resolutely" opposed "machinations aimed at placing the Suez Canal under 'international control'" [see Vol. XVI, p. 337D2-C3], and (c) favored settlement of "the question of free passage of shipping through the canal" by "negotiations between the states concerned." [See p. 11C-D1]

The Moscow talks were held during Chou's return visit to the USSR Jan. 17-18, following trips to Warsaw & Budapest [see pp. 19E3-20C1] Chou left Moscow for talks in Kabul with Afghan Premier Mohammed Daud Khan Jan. 19-23. Participants in the Kremlin meetings: (for Red China) Premier-Forgn. Min. Chou En-lai, Vice Premier Marshal Ho Lung, Deputy Forgn. Min. Wang Chia-hsiang, Amb.-to-USSR Liu Hsiao; (for the USSR) Bulganin, Soviet CP First Secy. Nikita S. Khrushchev, First Dep. Premier Anastas I. Mikoyan, Forgn. Min. Dmitri T. Shepilov, Amb.-to-China Pavel F. Yudin.

The Soviet-Chinese declaration also noted: (a) "complete unanimity of views on" the "international situation"; (b) that "American imperialism is trying" to "take the place of the colonialist powers" in the Mid-East; (c) that the "armed uprising in Hungary was provoked by the imperialist aggressive quarters" but its defeat was "assisted by the Soviet Union"; (d) that the USSR & Red China supported efforts toward German, Korean & Viet Namese unity, disarmament & abolition of the "defensive" Warsaw Pact & "aggressive" NATO Pact; (e) that "the supreme international duty" of the USSR & Red China was to "strengthen & consolidate the unity of [the] Socialist countries"; (f) that the "great alliance of the Soviet Union & China" was "an important mainstay of peace all over the world." [See p. 4G1]

Nasser Query. Egyptian Pres. Gamal Abdel Nasser said Jan. 16 that he had asked the U.S. for an explanation of "the vague parts" of the Eisenhower Doctrine. Nasser, interviewed by Athens' "The Evening Ethnos" on his 39th birthday, asserted that he was not "pro-East or pro-West" but that, "while Russia helped us" during the Suez crisis, "America froze $50 million" in Egyptian assets [see p. 11D2]. Nasser warned that the "Israelis must leave Egyptian soil" or "there will be fresh troubles." [See Vol. XVI, pp. 433D3, 426C1]

Arab Bloc Rejection. Egypt, Syria, Saudi Arabia & Jordan, in a statement issued Jan. 19 following talks in Cairo [see p. 19B1], rejected the Eisenhower Doctrine's "vacuum theory" of Mid-Eastern politics and said that Arab nationalism was "the sole basis on which Arab policy could be formulated" [see Vol. XVI, p. 433C-F3]. Leaders of the 4 nations agreed "never to allow their countries to become a sphere of influence for any foreign power."

(A 2d statement, issued Jan. 19 by the Egyptian Info. Dept., said that Egypt had made clear during the talks that it "considered the Gaza sector part of Egypt's territory" and would not accept "any foreign administration—whatever name such administration may carry"—over the area. A 3d Egyptian statement Jan. 19 said that any effort to turn the UN Emergency Force into an "occupation force" would "be rejected as a matter of course.") [See p. 17E3]

(Saudi Arabian King Saud left Cairo Jan. 19 & flew to Italy to board the U.S. liner "Constitution" for a trip to the U.S. to present Arab views on U.S. Mid-East policy to Pres. Eisenhower.) [See p. 6E1]

METO Support. The 4 Moslem Baghdad (METO) Pact states—Turkey, Pakistan, Iran, Iraq—declared their full support of the Eisenhower Doctrine Jan. 21 as "best designed to maintain peace" in the Mid-East and "advance the economic well-being of [its] peoples." A communiqué issued following meetings of leaders of the 4 states in Ankara Jan. 19-20 "noted with satisfaction" that the U.S. plan "recognizes the threat posed by Communist aggression & subversion in countries of the Middle East." [See Vol. XVI, p. 411F-G3]

The METO communiqué also (a) called for "early settlement of the Palestine question through the UN," (b) "expressed the hope" that "freedom of navigation in the Suez Canal consistent with Egyptian sovereignty" would be insured "in accordance with the [Constantinople] Convention of 1888" and "that the canal should be insulated from the politics of any one power," and (c) "deplored the destruction of pipelines in Syria" & urged their "early restoration." [See Vol. XVI, pp. 420D-E1, 419C3]

The Ankara talks, presided over by Turkish Pres. Celal Bayar, involved Turkish Premier Adnan Menderes, Iraqi Premier Nuri as-Said, Pakistani Premier Hussein Suhrawardy, Iranian Premier Hussein Ala & were attended by Iraqi Crown Prince Abdul Illah. Illah, scheduled to present METO views on U.S. policy in Washington Feb. 3, flew to London Jan. 23 for talks with British Prime Min. Harold Macmillan & Forgn. Secy. Selwyn Lloyd. [See Vol. XVI, p. 403B2]

Indian-Syrian Stand. A joint statement issued Jan. 21 following talks in New Delhi Jan. 17-19 between Indian Prime Min. Jawaharlal Nehru and Syrian Pres. Shukri al-Kuwatly said that "a military approach" to the problems of the Mid-East would "only serve to create further disharmony" & endanger world peace. The statement denounced "intervention by big powers in the form of military pacts & alliances" as "detrimental" to the Mid-East. "The Baghdad Pact," it noted, "has caused bitter conflicts & divisions in the Arab world & has greatly increased international tensions." The 2 leaders condemned colonialism as "an evil which should be brought to an end." They declared their "strong support for the movement for national freedom in Algeria." [See p. 3G1; Vol. XVI, 433E3]

(The "N.Y. Times" reported Jan. 15 that Syria recently had received 10 MIG-17 jet fighters & soon would be sent Soviet pilots & technicians to train Syrians to use the craft.) [See Vol. XVI, p. 434B3]

U.S. Action. Vice Pres. Richard M. Nixon said Jan. 19 that the Soviet-Chinese statement against the Eisenhower Doctrine "dramatically" illustrated "why the free world must not leave a vacuum in" the Mid-East. He opposed any Congressional move to act solely on the plan's military provisions. He told reporters that "the economic phase of this program" was as "important as the military authority." "It will reduce the chance of successful internal subversion, which is perhaps greater than external aggression." [See pp. 10E3-11B1]

House Speaker Sam Rayburn (D., Tex.) pressed Congressional leaders Jan. 16 for immediate approval of the Eisenhower Doctrine's military authorization. Rayburn indicated Jan. 17 that he was "leaning very strongly" toward simultaneous approval of both the military & economic provisions.

(The "N.Y. Times" reported Jan. 20 that a substitute Dem. resolution on Mid-East policy, offered to the House Forgn. Affairs Com. Jan. 8 by Rayburn, had been written by Will L. Clayton, Truman Admin. State Undersecy.) [See p. 2E2; Vol. XV, 12B3]

Gen. Alfred M. Gruenther, ex-NATO cmndr., supported the Mid-East program before the House Forgn. Affairs Com. Jan. 17. He said that "without prompt action to change the trend, I fear that the present [Mid-East] situation can only worsen." The House Forgn. Affairs Com. also disclosed Jan. 16 that Adm. Arthur W. Radford, Joint Chiefs of Staff chrmn., had testified in secret that the Eisenhower Doctrine would "practically eliminate the chances of war" in the Mid-East. [See p. 2C2]

Ex-Air Force Secy. Thomas K. Finletter told the House Forgn. Affairs Com. Jan. 22 that Pres. Eisenhower should be given powers to invoke the plan's military provisions against "covert" as well as "overt armed aggression" by the USSR. Finletter, who

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rebuked the Eisenhower Admin. for tolerating anti-Semitic practices by Arab Govts. due to receive aid under the plan, urged broadening of the military authorization to include action in concert with U.S. allies. [See pp. 11B1, 10D2; Vol. XVI, 193A3]

Jordan

Arab Aid Promised. Egypt, Syria, Saudi Arabia & Jordan signed an agreement Jan. 19 granting the Jordanian Govt. a yearly subsidy of £12.5 million Egyptian ($36 million) "intended to replace the sundry annual grants offered by the British Govt." to Jordan. The Arab subsidy was termed aid to Jordan to meet "obligations" resulting from "the policy of cooperation & solidarity for bolstering Arab independence." Egypt & Saudi Arabia each agreed to contribute £5 million, Syria £2.5 million annually. [See Vol. XVI, p. 434B3]

Under the agreement, effective for 10 yrs. or indefinitely until terminated by a signatory, Jordan agreed to "devote the Arab aid to the Jordanian Hashemite armed forces." Jordan also agreed to "purchase all requirements of the armed forces" from the other 3 signatory countries "when equipment becomes available . . . from their own production." [See Vol. XVI, p. 290E3]

The pact was signed in Cairo after talks Jan. 18-19 attended by Egyptian Pres. Nasser, Saudi Arab King Saud, Jordanian King Hussein I & Syrian Premier Sabri el-Assali [see p. OOO]. The Jordanian Parlt.'s Lower House approved the pact unanimously Jan. 22. A British note to Jordan Jan. 21 called for "immediate negotiations" on the future of the 1948 Anglo-Jordanian treaty.

U.S. Aid. Jordanian Economy Min. Naim Abdul Hadi Jan. 15 asked the U.S. to increase its Jordanian aid program to "not less than $30 million" annually & make future grants free from political conditions. The request—submitted to Harold A. Nelson, chief of the U.S. Operations Mission in Jordan, & made public Jan. 17—called for Jordan "to be solely responsible for the selection, preparation & execution" of all projects. Jordan asked for the right to approve in advance all U.S. aid experts & limit them to advisory work. (U.S. technical assistance to Jordan since 1951 was said Jan. 17 to total $34 million.) [See Vol. XVI, p. 375G1]

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Yemen. The U.S. State Dept. said Jan. 17 that it had urged "the greatest restraint" upon both Britain & Yemen to halt fighting reported under way in the Yemen-Aden Protectorate area. Britain & the rulers of Aden Protectorate sultanates agreed Jan. 17 to open cease-fire talks with the Yemeni Govt. A Yemeni note to Britain Jan. 22 said that Yemen would agree to cease-fire talks for both "free" Yemen & "occupied" Yemen (Aden).

Yemen charged Jan. 16-19 that British tanks, troops & aircraft had attacked 5 towns inside Yemen Jan. 14-15 and beseiged Harib, 25 mi. from the Aden frontier. Britain & the Aden Govt. asserted Jan. 16-21 that Yemeni troops had been repelled in the Beihan area but still occupied several villages. 250 Yemenis were said to have retreated after an attack on Yafai Protectorate (north of Aden). The Yemeni Legation in Cairo announced Jan. 18 that 10,000 Egyptians had volunteered to fight for Yemen against Britain. [See p. 11D-F3]

EAST EUROPE

Poland

Election Backs Gomulka. Communist Poland's democratization movement, led by Wladyslaw Gomulka, First Secy. of the United Workers (Communist) Party, won overwhelming indorsement from Polish voters in a single-list election held Jan. 20. Polish State Election Comm. tallies released Jan. 22 showed that of 17,499,000 eligible Polish voters, 16,833,316 (94.14%) had participated in the elections, and of these, 16,563,314 (98.4%) had cast ballots for the UWP-backed Natl. Front slate. Western newsmen covering the Polish elections reported no signs of voter coercion at polling stations. [See Vol. XVI, pp. 345B1-347C2]

Poles, voting with limited freedom for the first time since the last pre-World War II election in 1935, were given the right to cross out in secret the unwanted candidates among 723 running for 459 vacancies in the new Sejm (Parlt.). Of the approved candidates appearing on the prearranged single ballot, 370 to 400 were estimated to be UWP candidates (listed on the top ⅔ of the ballot). 25% of the remainder reportedly were Peasant Party members, 10% Democratic Party candidates & the remainder Independents.

If a ballot contained no cross-outs, the vote went to as many top-listed candidates as were needed to fill vacancies. Fewer than 12% of the candidates were members of the old Sejm in which the UWP held 273 seats, Peasants 90, Dems. 25, independents 37. [See Vol. XII, p. 346P]

The election was preceded by massive UWP, Govt. & "front" group appeals for voters to back Gomulka by returning untampered ballots. A "Don't Cross Out" campaign urged voters to choose between "freedom, peace & prosperity" and "poverty, misery & war." The heavy electioneering was attributed to Govt. hopes for mass support of the preferred slate to (a) make Polish "negotiations from strength" possible with the USSR, (b) prove that "Natl. Communism" could command popular support, and (c) forestall armed Soviet intervention to "safeguard" a repudiated Polish Govt.

Selection of candidates for the Natl. Front list began Jan. 3 with political, cooperative, professional & mass organizations choosing from the ranks of the UWP, Peasant & Dem. parties, all committed to maintenance of a Socialist Poland. The Govt. announced Jan. 12 that some candidates had been dropped for "lack of discipline." Edward Osubka-Morawski, Socialist ex-Premier, was banned from the list Jan. 17 for a "discordant" attitude toward the campaign [see Vol. IX, p. 22H]. The Dem. Party's youth organization was dissolved Jan. 17 for "discordance" after the UWP Central Com. intervened in its activities. The youth group, largely Catholic & anti-Marxist, had been disavowed by the Dem. Party.

Gomulka told Polish voters in a radio address Jan. 19 that the "reactionaries' " propaganda to cross out the names of Communist candidates "is tantamount to calling for the liquidation of Socialist Poland." "To cross out Communist candidates," he warned, "is to cross out the independence of our country, to cross out Poland from the map of European states." Gomulka asserted that "fraternal Polish-Soviet relations" were "the most vital interest of the Polish nation." He had said in a campaign speech Jan. 12 that the UWP would "never surrender power" for fear of a "tragic calamity for Poland." [See Vol. XVI, p. 435D3]

Church Stand. Stefan Cardinal Wyszynski, Roman Catholic Primate of Poland, refrained from public comment on the campaign Jan. 16-20, but Warsaw dispatches reported that he had made clear his support of the Gomulka regime. The Most Rev. Zygmunt Choromanski, Polish Episcopate Secy., ordered Jan. 16 that masses Jan. 20 (Sunday) be scheduled so that churchgoers could vote easily. He urged Catholics to "fulfill their duty of conscience by participating in the voting." Bishop Ignacy Swirski of Siedlice said Jan. 20 that it was "the duty of every Catholic to vote for the Natl. Front list" and "give a vote of confidence to Gomulka." Many village priests were reported to have led congregations to the polls Jan. 20. [See Vol. XVI, p. 418E-G3]

Sino-Polish Talks. Chinese Communist Premier Chou En-lai, arriving in Warsaw from Moscow for talks with Polish leaders Jan. 11, stressed Russian leadership of the Soviet bloc. He warned that "strengthening the solidarity of the Socialist camp" was of "utmost importance" because "imperialism has never stopped its diversionist activities" in the Communist countries. [See pp. 18A1, 10B-G1]

Chou toured Poland & held intermittent talks with Gomulka and other UWP & Govt. leaders Jan. 11-15. Addressing Polish meetings, Chou said: (Jan. 11) "The Polish nation may always count on the support of the Chinese nation." (Jan. 12) While "abnormal relations" could arise between Socialist states, their policies should avoid "fundamental conflicts." (Jan. 15) The Chinese CP "supports your efforts."

Premier Jozef Cyrankiewicz said Jan. 14 that "talks with our Chinese friends reveal that they fully understand" Poland's "road" toward "reforming our life." "The coexistence of nations," he said, "should not be like the coexistence of fish living in one big pond or lake, the bigger fish devouring the smaller ones." "We are fighting against all forms of national oppression." [See Vol. XVI, p. 435E2]

A Polish-Chinese Communist joint declaration, signed Jan. 16 and generally believed to have halted Poland's growing isolation within the Soviet bloc, pledged both nations to build their foreign policy on "proletarian internationalism." The declaration said that, although "linking the countries of socialism" was basic to the advance of Soviet ideas, "relations between Socialist countries" should be based on "respect for their sovereignty, non-interference with their internal affairs, equality & mutual benefits." The declaration concluded with joint reaffirmation of Poland's Oder-Neisse frontier with Germany.

Hungary. The Sino-Polish declaration affirmed support of the Hungarian Govt. of Janos Kadar. It pledged Poland & Red China to "oppose determinedly all attempts at interference by the imperialist forces with the internal affairs of Hungary." Chou met with Kadar & Hungarian leaders in Budapest Jan. 16-17 before leaving for further talks in Moscow. A joint statement by Chou & Kadar Jan. 17 said that Chou fully supported suppression of the Hungarian revolt and told Hungarians to "stand solidly with the Soviet Union, leader of the Socialist camp." [See pp. 12D1, 4G1]

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Other Hungarian News. Philippe de Seynes, UN Undersecy. for Econ. & Social Affairs, said Jan. 18 in New York after a 4-day visit to Budapest (Jan. 4-7) that Hungary needed $30 million worth of aid in the next 6-7 mos. to avert a "very acute food shortage" & combat unemployment. He said that lack of coal was the underlying cause of low-level industrial operations, with the food industry 40%, light industry 50% or more & the chemical & building industries 90% under capacity and the metals industry virtually dormant. He foresaw exhaustion of present grain stocks by May or June and the need for 400,000 tons of wheat, 300,000 tons of livestock feed, 14,500 tons of grain & potatoes for seeding, 10,150 tons of fertilizer this year. [See p. 5B1-A2] . . . Executions of ex-Chrmn. Jozsef Dudas of the All-Hungary Revolutionary Council & his aide, Janos Szabo, as leaders of the October "armed uprising" against "the Hungarian people's democracy" was announced Jan. 19 in Budapest. [See p. 12G1] . . . 30 Hungarian border guards pursued 20 fleeing refugees into Austrian territory near Nikitsch Jan. 20. They were said to have forced some of the escapees to return to Hungarian soil. The Hungarian Govt. demanded in a complaint to the UN Jan. 19 that refugee children be returned from Western countries to their parents in Hungary and that other refugees be encouraged to return under an amnesty offer good until Mar. 31. The complaint charged that some refugees in the West had been grilled about military matters, forced to work in British mines against their will & mistreated in other ways. [See pp. 12C1, 5C-G2]

Soviet Nuclear Test. The U.S. Atomic Energy Comm. Jan. 20 reported detection of a Soviet "nuclear test" Jan. 19. It was the 16th Soviet test to be made known. [See p. 12A2-B3; Vol. XVI, 299G3]

Wide World

Pres. & Mrs. Eisenhower at Inaugural Ball in Washington Jan. 21.

NATIONAL AFFAIRS

THE PRESIDENT

Inauguration

Double Ceremony. Dwight David (Ike) Eisenhower, 66, was sworn in at 10:28 a.m. Jan. 20 to begin his 2d term as 34th President of the U.S.* Richard Milhous Nixon, 44, had taken the oath as 2d-term Vice President 2 minutes earlier. The ceremony took place in private — with only family members & officials present—in the East Room of the White House.

At noon the following day, the President & Vice President repeated their oaths in public on the east plaza of the Capitol. The double swearing-in was deemed necessary because the Presidential term ended at noon Jan. 20, a Sunday, and public inaugurals traditionally were never held on Sundays.

At both the private & public ceremonies, the Presidential oath was administered to Mr. Eisenhower by Chief Justice Earl Warren, and Nixon repeated the Vice Presidential oath after Senate minority leader William F. Knowland (R., Calif.).

The oath taken by the President: "I (Dwight D. Eisenhower) do solemnly swear that I will faithfully execute the office of President of the United States and will, to the best of my ability, preserve, protect & defend the Constitution of the United States (so help me God)."†

After taking the oath, Pres. Eisenhower called on Americans in his inaugural address [see below] to be "ready to pay [the] full price" to build "a peace with justice in a world where moral law prevails."

Later, the Presidential party watched an inaugural parade of 17,000 persons, 65 bands, 34 floats, 2 elephants, about 150 horses & 2 stray dogs. In the evening, the Eisenhowers & Nixons attended all 4 Inaugural Balls (at the Natl. Guard Armory & at the Statler, Mayflower & Sheraton Park hotels).

Inaugural Address. Pres. Eisenhower said in his inaugural address Jan. 21 that Americans "live in a land of plenty, but rarely has this earth known such peril as today. . . In too much of the earth there is want, discord, danger."

Other points of the address:

● "⅓ of all mankind has entered upon an historic struggle for a new freedom: freedom from grinding poverty." "Nearly a billion people seek . . . the skills & knowledge & assistance" needed to "satisfy from their own resources" mankind's "material wants."

● The world was divided. "The divisive force is international communism," which strove (a) "to seal forever the fate of those it has enslaved," (b) "to break the ties that unite the free" and (c) "to capture . . . all forces of change in the world, especially the needs of the hungry & the hopes of the oppressed."

● The Communist world had been "shaken by a fierce & mighty force: the readiness of men who love freedom to pledge their lives to that love." "We can never turn our backs to them."

● The U.S.' purpose was peace, since "peace is the climate of freedom." "We have been warned, by the power of modern weapons, that peace may be the only climate possible for human life itself." With peace, "there must be justice . . . for without justice the world can know only a tense & unstable truce. There must be law, steadily invoked & respected by all nations, for without law the world promises only such meager justice as the pity of the strong upon the weak."

● The cost of such peace would be "high." "To counter the threats of those who seek to rule by force, we must pay the costs of our own needed military strength & to help build the security of others." Americans must "help others rise from misery, however far the scene of suffering may be from our shores," or in such areas "will surely rise at last the flames of conflict."

● "We recognize & accept our own deep involvement in the destiny of men everywhere" and support the UN as "the best hope of our age for the assertion of that law by which all nations may live in dignity. . . . We are called to act a responsible role in the world's great concerns or conflicts." "The unity of all who dwell in freedom is their only sure defense. The economic need of all nations —

*Inaugural Com. officials said Mr. Eisenhower was the 34th President—although only the 33d man to hold the office. The discrepancy was due to the 2 non-consecutive terms served by Pres. Grover Cleveland, which, according to the committee, made Cleveland both 22d President & 24th. [See Vol. XIII, p. 19P] †Words in parenthesis were in addition to those prescribed by the Constitution.

in mutual dependence—makes isolation an impossibility; not even America's prosperity could long survive if other nations did not prosper."

- The U.S. respected the independence of "all nations that are or would be free." When "they ask our help, they may honorably receive it"; the U.S. won't "buy their sovereignty."
- "We honor the aspirations" of "captive" nations that "long for freedom. We seek neither their military alliance nor any artificial imitation of our society." They will be welcomed "when, as must be, they join again in the ranks of freedom."
- "We honor . . . the people of Russia" and "welcome their progress in education & industry. We wish them success in their demands for more intellectual freedom, greater security before their own laws, fuller enjoyment of the rewards of their own toil." [See Vol. XIII, pp. 19L-20C]

The Budget

Pres. Eisenhower submitted to Congress Jan. 16 a budget in which he recommended peacetime record expenditures of $71.807 billion for fiscal 1958 (the 12 months beginning July 1, 1957). He estimated receipts at a record $73.62 billion. This would result in a $1.813 billion surplus & the Eisenhower Admin.'s 3d straight balanced budget. [See Vol. XVI, pp. 18E2-21D1]

Mr. Eisenhower requested $73.341 billion in new obligational authority (permission to spend money from current or prospective appropriations or other sources), as compared with $70.524 billion requested for 1957 & $63.198 billion granted for 1956.

Fiscal 1957 expenditures were estimated at $68.9 billion, receipts at $70.628 billion & the surplus at $1.728 billion. For fiscal 1956, expenditures totaled $66.54 billion, receipts $68.165 billion, the surplus $1.626 billion.

Mr. Eisenhower expressed his "firm belief that tax rates are still too high" and should be cut as soon as "sound budget policy made possible." But he insisted that "urgent national responsibilities" came first. He proposed that the surplus be used to reduce the national debt rather than taxes.

The debt had been lowered from $274.4 billion at the beginning of fiscal 1956 to $272.8 billion at the beginning of fiscal 1957. The President estimated that it would be reduced to $270.6 billion at the end of fiscal 1957 & to $269.2 billion by June 30, 1958. He expressed "hope that these reductions, plus the collection of corporation tax payments on a more nearly current basis," would make it unnecessary to ask for any further temporary increases in the legal debt limit. [See Vol. XVI, p. 228E1]

Defense. "By far the largest part of the budget" for fiscal 1958, $45.3 billion or 63%, "will be devoted to maintaining & improving our own defenses & to strengthening the defenses & economies of other nations in the interest of collective security & world peace," the President's budget message said. This request compared with $42.7 billion sought for fiscal 1957 & $42.4 billion granted for 1956.

The security expenditures were contrasted with $16.9 billion, or 24% of the budget, set aside for "civil benefits" in fiscal 1958, $16½ billion in 1957 & $15.3 billion in 1956. Interest, mostly on debts incurred for defense, added up to $7.4 billion, or 10% of the 1958 budget, "and all other operations, administration & contingencies" 3%, or $2.2 billion.

Principal national security expenditures (in millions):

	1956	1957	1958
Military direction & coordination	$14	$14	$17
Air Force	16,749	16,890	17,472
Army	8,702	8,581	9,131
Navy	9,745	9,732	10,349
Atomic energy	1,651	1,940	2,340
Stockpiling & defense production expansion	791	759	650

Mr. Eisenhower pointed out "the profound impact" that "new & vastly superior weapons" had on the missions of the forces & on the size & composition of the budget. He scheduled $2.039 billion for guided-missile expenditures in fiscal 1958, as compared with $1.506 billion in 1957 & $1.168 billion in 1956.

Aircraft expenditures were budgeted at $6.737 billion in 1958, as against $6.786 billion in 1957 & $7.146 billion in 1956. Fiscal 1958 procurement, the President said, would equip the Strategic Air Command's heavy bomber wings "with 45 all-jet B-52 aircraft in the place of the present smaller number of 30 B-36s."

Mr. Eisenhower proposed expenditures of $1.58 billion for military research & development as against $1.54 billion in 1957, $1.495 billion in 1956.

Armed Strength. Pres. Eisenhower planned to keep "average active duty military personnel strength" at about 2,800,000 during fiscal 1958. "The Army, Navy & Marine Corps will hold to about their current numbers, while the Air Force will be increased by several thousand men," he said. Strength figures he proposed:

Air Force—128 wings made up of 45 strategic, 32 air defense & 51 tactical wings. [Current total—133 wings, including 121 combat & 12 troop carrier wings.] 24,398 planes. 925,000 men (up 10,000).

Navy—983 active ships, including 422 warships. [Current total—969 active ships, 406 of them warships.] 17 carrier air groups. 20 carrier anti-submarine squadrons. 3 Marine air wings & 3 Marine divisions. 11,790 planes (including Marine aircraft). 875,000 men, including 200,000 Marines.

Army—17 divisions (a cut of 2). 9 regimental combat teams. 6 new atomic support commands. 127 anti-aircraft battalions (down 6). 1,000,000 men (not counting 697,000 reservists on drill-pay status). [See Vol. XVI, p. 442G2-A3]

These recommendations, Mr. Eisenhower said, "reflect adjustments that have been made in the contributions of the individual military departments to the 4 basic military missions." He listed the basic missions as: (1) "to maintain ready nuclear-air-retaliatory forces so strong that they will deter a potential aggressor from initiating an attack"; (2) "to build a defense system which will minimize the chances of a successful attack on this continent"; (3) "to maintain mobile & versatile forces suitably deployed & ready for immediate action in case of aggression"; (4) "to maintain control of the essential sea areas & lines of communication. . . ."

Intl. Cooperation. Touching on a major ingredient of the collective security system, the President pointed out that "the armed forces of 38 countries receive military equipment & training through the military assistance portion of the Mutual Security Program." He announced that in fiscal 1957 & 1958, "an increasing amount of military assistance equipment is to be furnished on a reimbursable rather than a grant basis."

His budget requests for mutual security & other foreign programs:

(Expenditures in millions)	1956	1957	1958
Mutual security—Military	$2,611	$2,600	$2,600
Economic, technical & other	1,587	1,500	1,750
Investment guarantee program (net)	3	2	7
Export-Import Bank (net)	(–90)	397	243
Emergency commodity assistance (Agri. Dept.)	94	127	45
Other economic & technical programs	22	69	32
U.S. Information Agency	86	103	128
State Dept. info. & exchange activities	20	21	29
President's Special Intl. Program	5	9	18
Conduct of forgn. affairs	120	155	194
Totals*	$1,846	$2,382	$2,444

*Discrepancies due to rounding

Mr. Eisenhower called the Middle East "an important example" of the "many changing situations in the world" that made it "necessary to allow for appropriate flexibility in choosing the proper channel," such as the UN or "regional organizations" like NATO or Org. of Amer. States.

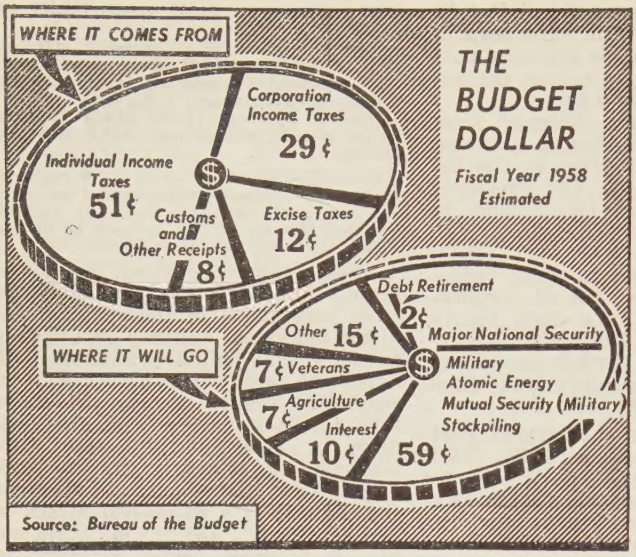
Although the U.S. would "continue to conduct a major part of its economic & military assistance bilaterally, by dealing directly with other governments through conventional channels," he stressed that "to make effective use" of funds such as the $200 million requested "for discretionary use in the Middle East," it was "essential that adequate flexibility be permitted."

Agriculture. Pres. Eisenhower pro-

SUMMARY OF THE BUDGET

(Amounts in millions. Periods are fiscal years ending June 30, 1956, 1957 & 1958. Figures for 1957 & 1958 are estimates based on existing & proposed legislation)

RECEIPTS—	1956	1957	1958
Indiv. income taxes	$35,334	$38,500	$41,000
Corp. income taxes	21,299	21,400	22,000
Excise taxes	10,004	10,691	11,071
Employment taxes	7,296	7,750	8,420
Estate & gift taxes	1,171	1,380	1,475
Customs	705	775	800
Miscellaneous	3,012	2,991	3,283
Deduct—			
Transfers to trust funds	6,971	8,979	10,273
Refunds	3,684	3,880	4,156
Net budget receipts	**$68,165**	**$70,628**	**$73,620**
EXPENDITURES—			
Major natl. security	$40,641	$40,965	$43,335
Intl. affairs & finance	1,846	2,382	2,444
Veterans	4,756	4,851	5,027
Labor & welfare	2,776	3,032	3,538
Agrl. & agri'l resources	4,913	4,701	4,965
Natural resources	1,104	1,371	1,538
Commerce & housing	2,028	2,269	1,748
Gen. govt.	1,629	1,870	1,451
Interest	6,846	7,260	7,360
Allow for contingencies	....	200	400
Net budget expenditures	**$66,540**	**$68,900**	**$71,807**
SURPLUS—	**$1,626**	**$1,728**	**$1,813**



Wide World

EXPENDITURES & NEW OBLIGATIONAL AUTHORITY

(Amounts in millions. Figures for 1957 & 1958 are based on existing & proposed legislation. Expenditure totals are net—with applicable receipts deducted.)

Agency (fiscal year)	——Expenditures—— 1956	1957	1958	——Oblig. Authority— 1956	1957	1958
Legislative branch	$85	$109	$122	$199	$90	$95
Judiciary	37	40	44	37	40	45
Exec. Off. of the President	10	11	12	10	11	12
Approp. to the President:						
Mutual security	4,201	4,102	4,356	2,703	3,804	4,400
Other	272	35	89	50	26	35
Independent offices:						
Atomic Energy Comm.	1,651	1,940	2,340	1,179	1,961	2,520
Veterans Admin.	4,731	4,857	5,068	4,800	4,960	4,990
Other	601	1,456	886	768	1,198	844
Gen. Svcs. Admin.	523	690	654	709	259	447
Housing & Home Fin. Agcy.	39	719	391	888	1,666	1,194
Agriculture Dept.	5,177	5,152	5,330	3,598	5,886	5,158
Commerce Dept.	1,293	644	772	2,736	764	944
Defense Dept.—Military	35,791	36,000	38,000	33,187	36,387	38,500
Civil	573	649	700	666	665	703
Health, Edctn. & Welf. Dpt.	2,071	2,361	2,831	2,107	2,506	3,071
Interior Dept.	512	652	704	516	657	718
Justice Dept.	216	214	226	211	216	235
Labor Dept.	412	409	418	470	431	438
Post Office Dept.	463	459	58	470	483	67
State Dept.	142	184	230	149	226	230
Treasury Dept.	7,719	7,992	8,132	7,716	8,003	8,154
Dist. of Columbia	22	27	43	30	33	42
Allow. for contingencies	.....	200	400	.....	250	500
Totals	**$66,540**	**$68,900**	**$71,807**	**$63,198**	**$70,524**	**$73,341**

posed that the CCC's net expenditures for farm price supports be reduced from the $3.554 billion of fiscal 1956 to $1.889 billion in fiscal 1957 & $1.95 billion in 1958. But he said that the decrease "is more than offset by increases in expenditures for the soil bank & other agricultural programs."

The President budgeted $1.293 billion for soil bank expenditures in fiscal 1958. This included $270 million for soil conservation payments under the soil bank program and compared with soil bank budgets of $1.248 billion ($236 million for soil conservation payments) for fiscal 1957 & $4 million in 1956. [See Vol. XVI, pp. 262D3-263A1]

Mr. Eisenhower urged a one-yr. extension of authority (scheduled to expire June 30, 1957) under the Agricultural Trade Dvlpt. & Assistance Act of 1954 to sell surplus farm products abroad for foreign currencies. He also asked that the $3 billion limit on permissible loss under the program be increased to $4 billion and requested authority to sell such commodities to Iron Curtain countries. [See Vol. XVI, p. 380E2]

The President proposed lending $185 million for rural electrification & $80 million for rural telephones during fiscal 1958.

Schools. Pres. Eisenhower asked for legislation to complete in 4 years the 5-yr. school-construction program he had proposed in 1956 but which had been stalled in Congress. He suggested that the program start in fiscal 1958 and that $451 million in new obligational authority & $185 million in expenditures be provided for the program's first year.

States & communities planned to build 69,000 classrooms in the 1956-57 school year, up 10% over the previous year, the President reported. "The number of teachers & their average salaries have also been increasing. . . . [But] growing enrollments are straining the financial capacities of [many] school districts. . . . 31½ million children crowd the public schools beyond their normal capacity, and enrollments are increasing by well over 1,000,000 a year." [See p. 13D-E1]

Health. Pres. Eisenhower told Congress it was time to enact his program "for expansion & improvement of voluntary health insurance plans under which smaller insurance companies & non-profit associations could pool their resources & experience." [See Vol. XVI, pp. 35F2-36D1]

He proposed increasing expenditures of the Natl. Institutes of Health from $99 million in fiscal 1956 to $173 million in 1957 & $211 million in 1958 to "provide for more research . . . training of additional technicians and new laboratories & other facilities." He recommended that federal aid for hospital construction be increased from $56 million in fiscal 1956 to $83 million in 1957 & $100 million in 1958, largely for "nursing homes, rehabilitation facilities & chronic disease hospitals which are especially important to older people. . . . "

Atomic Energy. The budget requested "no funds for construction of new large-scale [atomic] reactors" because of the President's "belief that basic responsibility for construction of large-scale power reactors should not have to be assumed by the Fed. Govt." He promised, however, that "if acceptable proposals for non-federal construction of promising reactor types do not materialize within a reasonable time," he would ask Congress "for funds for direct construction by the Fed. Govt." He again urged authority for the Govt. "to supplement commercially-available insurance against liability" from nuclear accidents. [See Vol. XVI, p. 414A-C1]

Mr. Eisenhower proposed further emphasis on developing thermonuclear (hydrogen) power reactors and planned "increased research . . . on the problems arising from the numerous & extensive applications of atomic energy, such as reactor safety, radioactive waste disposal & the biological effects of radiation." The budget provided for greater support of basic atomic research & training, both in the U.S. & in friendly countries.

Other Proposals. The President requested that the corporate tax rate & the excise tax rates on tobacco, liquor & autos, scheduled to be cut Apr. 1, be continued un-reduced for another year. He asked Congress to raise postal rates by $654 million "to place the Post Office on a pay-as-you-go fiscal basis."

Mr. Eisenhower recommended statehood for Hawaii & Alaska, but the latter was to be "subject to area limitations & other safeguards for the conduct of defense activities" [see Vol. XVI, p. 342D-E2]. He urged "home rule" for the Dist. of Columbia [see Vol. XVI, p. 287E1] and recommended Constitutional amendments giving women "equal rights with men" & "lowering the voting age in federal elections" (to 18).

The President proposed that $150 million of the $413 million in new obligational authority recommended for the CAA in fiscal 1958 should be used for "airways facilities," including radar, better communications & airport approach lights. He urged increased "grants to communities for airport construction & improvement" & a $118 million appropriation to enable the Natl. Advisory Com. for Aeronautics to support basic research required in "development of the aircraft of the future."

New obligational authority of $250 million a year for 2 years was requested for slum clearance. The President reported that the first slum project (under 1949 legislation) had been completed in 1956 and that 40 others would be finished by the end of 1958. By then, he said, 285 projects would be in progress and plans for 246 others under way. The 572 projects, he revealed, would cost more than $2½ billion, including $1.2 billion from federal grants. [See Vol. XVI, p. 185B2]

Mr. Eisenhower recommended that

the Veterans Admin. be authorized to increase rates on housing loans it guaranteed so that more veterans might obtain them. He indicated that many had been unable to buy homes under the GI Bill because "increased demands for credit for other purposes" made GI mortgages "unattractive to many private lenders at the maximum interest rates then permitted." The President said "most World War II veterans have had over 10 years to use their loan guaranty benefits, which were intended to assist their adjustment from military to civilian life," and the program therefore should "end as now scheduled in July 1958." [See Vol. XVI, p. 443B1]

Among other budget proposals:

- Continuation of the Small Business Admin., which was scheduled to go out of existence June 30, 1957.
- Loans & other aid to communities in "chronic economic distress."
- An end to federal rate regulation of natural gas producers.
- Authority for TVA to issue revenue bonds to finance new generators.
- Authorization of the Fryingpan-Arkansas multi-purpose power project & of the Niagara power project.
- A $25 million increase in the Natl. Science Foundation's regular-program appropriation to enable it "to deal more effectively with 2 problems of national importance": (1) Insufficient funds for "the basic research on which progress in the applied scientific fields of health, industrial technology and weapons development depends"; (2) "the acute shortage of skilled scientists & engineers."

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Secretary for Cuts. Treasury Secy. George M. Humphrey told reporters Jan. 15 that "there are a lot of places in this budget that can be cut" and that he thought "a lot of people will make some cuts." His remarks were made public Jan. 16 when the budget was issued.

Humphrey denied that the Admin. had overruled his requests for less spending. "We [in the Admin.] are all in accord" on the need to reduce spending, but the current budget "is apparently the best we can do at the present time," he said.

Humphrey refused to say he was encouraging Congress to cut the budget, but he said he "would be very glad to see it" if it could be done without injuring security or "the proper services to the public." He said "we must request the support of the Congress" and of the public & every Govt. agency to make "substantial reductions through improved efficiency of our operations."

If this were done, he declared, "we can, a year hence, give consideration not only to some further payment on the public debt but also to further tax reductions." But he opposed any tax cut if there were a deficit and said he thought he would resign if the Admin. made one.

Humphrey said the U.S. must reduce "the terrific tax take we are taking out of this country," because "if we don't over a long period of time, I will predict that you will have a depression that will curl your hair." [See Vol. XVI, p 413F2]

Sen. Harry F. Byrd (D., Va.), head of the Senate's economy bloc, inserted a transcript of the Humphrey press conference in the "Congressional Record" Jan. 17 and said: "The Secy. of the Treasury urges Congress to reduce the President's budget. It is now up to Congress to act." Byrd had said Jan. 16 that the budget was inflationary. "In times of peace and prosperity," he declared, "a sound budget requires elimination of nonessential expenditures to the extent that debt & taxes can be reduced."

Other Comment. Republicans on the whole lauded the budget for providing a 3d straight surplus. Democrats generally criticized it for requesting record peacetime spending.

House GOP leader Joseph W. Martin Jr. (Mass.) said Jan. 16 that "with the Govt. to operate in the black for the 3d year in a row, the groundwork can be laid for further general tax cuts as soon as our defense needs will permit." House Speaker Sam Rayburn (D., Tex.) conceded Jan. 16 that "in times like these, we don't usually cut budgets much." He announced Jan. 17 that he would oppose any tax cut in 1957 even if Congress succeeded in reducing the budget.

Rep. Daniel A. Reed (N.Y.), ranking Republican of the House Ways & Means Com., said Jan. 16 that the budget was "needlessly high" and that American taxpayers should not be asked to contribute $4.363 billion to foreign aid. Rep. John Taber (N.Y.), ranking Republican of the House Appropriations Com., also criticized the budget as too high.

OTHER U.S. NEWS

Record World Flight. A round-the-world nonstop flight by 3 B-52 Boeing Stratofortress 8-jet bombers in record globe-circling time of 45 hr. 19 min. was announced by the USAF Jan. 18.

The planes left Castle AF Base, Calif. starting at 1 p.m. PST Jan. 16 and landed at March AF Base, Calif. starting at 10:19 a.m. PST Jan. 18. They were refueled in flight by KC-97 tanker planes during their 24,325-mi. trip (avg. speed 525 mph.) via Newfoundland, Casablanca (Morocco), Dhahran (Saudi Arabia), Ceylon, Manila (Philippines) & Guam. A simulated nuclear bomb drop was made mid-way in the flight off Malaya.

The flight was commanded by Maj. Gen. Archie J. Old Jr., 50, 15th AF commander. The planes, each carrying a crew of 9, were under command of Capt. Chas. W. Fink, 34, Lt. Col. Jas. H. Morris, 40, & Maj. Geo. C. Kalebaugh, 36. They broke the previous round-the-world speed record of 94 hr. 1 min., set by the USAF B-50 "Lucky Lady" in 1949 with Morris as co-pilot. Gen. Curtis LeMay, Strategic Air Command Cmndr.-in-Chief who awarded Distinguished Flying Crosses to the men who made the flight, said that "many other crews in the SAC could fly the same mission." The AF announcement of the flight said it demonstrated the SAC's "capability to drop a hydrogen bomb anywhere in the world." [See Vol. XVI, pp. 405E2, 397F3; Vol. IX, 76B]

Guard, Reserve Training. The Army announced Jan. 14 that men without previous military training who joined the Natl. Guard & Army Reserves after Apr. 1 would be required to take 6 mos. of training on active Army duty—a service now required only of Reservists. The order was opposed by Natl. Guard officials who favored a 3-mo. active-duty requirement.

Other changes announced by the Army: 4½ instead of 7½ yrs. in the Ready Reserves (subject to weekly drill) for Guardsmen & Reservists after their 6-mo. active tours; acceptance of Guard & Reserve volunteers, with draft exemption, aged 17-25 instead of 17-18½ as now; eligibility for draftees with 2 yrs. of active duty to volunteer for the Natl. Guard instead of being assigned to the Reserve. [See Vol. XVI, p. 237E2]

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Hugh Meade Alcorn Jr., 49, Hartford, Conn. laywer & advocate of Pres. Eisenhower's "modern Republicanism," was elected chairman of the Republican Natl. Com. by a unanimous vote of the committee Jan. 22 after word was passed that he was the President's choice. He was to succeed Leonard Wood Hall, who had resigned effective Feb. 1. Before the unanimous vote, spokesmen of the GOP conservative wing—Natl. Com. mitteeman Robert T. Mautz of Oregon & Rep. Clarence J. Brown (O.)—made it obvious that they opposed Alcorn's election. An apparent roundabout attempt to block Alcorn had been revealed Jan. 17 when 44 GOP leaders received telegrams, purportedly signed by Presidential disarmament adviser Harold E. Stassen, urging election of Alcorn to "keep the future of the party & country safe from the Nixons & Knowlands." Stassen denied sending them. [See p. 15C1]

Robert Tripp Ross took indefinite leave of absence as Asst. Defense Secy. Jan. 11 pending investigation of an $834,150 Army contract for 249,000 pairs of wind-resistant trousers that had been awarded Nov. 13, 1956 to Wynn Enterprises, Inc. of New York & Knoxville, Tenn., a firm of which Ross' wife was president. Ross had been vice pres., sales mgr. & public relations director of the firm but had severed his connection with it when he sought a nomination for Congress in Feb. 1952. Mrs. Claire Wynn Ross, Ross' wife, said Jan. 3 that she had won the contract because her bid was lowest by $75,000 and that Ross had nothing to do with it. Defense Secy. Charles E. Wilson said Jan. 9 that he saw no reason to criticize Ross. Chrmn. John L. McClellan (D., Ark.) of the Senate Permanent Investigations Subcom. & Chrmn. Chet Holifield (D., Calif.) of a House Govt. Operations subcommittee said Jan. 4 that their committee staffs would make preliminary inquiries. (Jacob S. Potofsky, Amalgamated Clothing Workers Union

Business & Financial Summary

Week Ended Jan. 19

	This Week	Last Week	Year Ago
FINANCE:			
U.S. Treasury—			
Monetary gold stocks	*$21,950	*$21,949	*$21,692
Currency circulation	*$31,108	*$31,479	*$30,632
Banks—			
Com'l, ind'l & agri'l loans§	*[a]$30,759	*$31,137	*$26,426
N.Y. bank clearings	$11,545,768,400	$10,604,478,810	$10,959,290,054
England note circulation	*£1,889.764	*£1,928.391	*£1,786.489
N.Y. Stock Exchange—			
Stock sales (shares)	11,504,432	11,859,054	11,372,305
Stock avgs. (100 stocks)**	200.65	205.78	194.90
Bond sales (par value)	$23,015,500	$22,459,400	$22,495,900
Bond avgs. (30 bonds)**	90.38	90.26	99.01
INDUSTRY:			
Auto ouput (cars & trucks)†	168,253	167,451	169,289
Crude oil (bbls. daily)	[b]7,395,850	7,416,700	7,013,850
Soft-coal output (tons)	[c]7,460,000	5,100,000	9,270,000
Electric output (kwh.)	*[b]12,327	*11,671	*11,594
Carloadings (cars)	*[b]680,766	561,519	710,338
PRICES:			
Wheat (bu.)	$2.73⅛	$2.72⅛	$2.50⅝
Corn (bu.)	1.64¾	$1.64⅞	$1.50⅜
Cotton (lb.)	$.3495	$.347	$.....
Steel scrap avg. (ton)	$59.17	$60.83	$53.17
Wholesale food index‡	[d]$6.13	$6.10	$5.86
Weekly whlsl. index (BLS)¶	[d]116.6	116.3	111.5
BUSINESS:			
Dept. store sales§¶	[b]107	93	104
Failures (Jan. 10)‡	256	222	245

*In millions **N.Y. Herald Tribune †Ward's estimate ‡Dun & Bradstreet ¶1947-49=100 §Fed. Reserve Board [a]Member banks, 94 cities, Jan. 9 [b]Jan. 12 [c]Jan. 5 [d]Jan. 15

pres., told his union's executive board in Miami Beach Jan. 22 that a firm headed by Mrs. Ross' brother had received $4,676,998 in Govt. contracts "the last couple of years" despite allegedly repeated violations of federal labor laws for which the firm was blacklisted by the U.S. Labor Dept. Dec. 1946-Feb. 1948. The firm involved was the Southern Athletic Co. of Knoxville, Tenn., headed by Herman D. Wynn, Ross' brother-in-law & founder of Wynn Enterprises. Ross also had been vice pres., sales mgr. & public relations director of this firm.) [See Vol. XVI, p. 391F2-B3]

OBITUARIES

Earl of Athlone (Alexander Augustus Frederick William Alfred George Cambridge), 82, great-uncle of Queen Elizabeth II, Gov. Gen. of South Africa 1923-30 & of Canada 1940-46; Jan. 16 in London.

Max Ausnit, 69, ex-head Rumanian Resita & Titan Nadrag Calan Steel Works, Rumanian Senator in 1920s (arrested by King Carol's Govt. 1940, fled to Egypt 1944, returned to Rumania 1945 but fled again 1948 from Communist Govt.); Jan. 18 in N.Y.

Rose Bogdanoff, 53, senior costume designer for NBC, theatrical designer; Jan. 19 in New York.

James B. Connolly, 88, sea-story writer who won first U.S. Olympic title (hop, skip & jump) in 1896; Jan. 20 in Boston.

Alfred Edgar Coppard, 79, British short story writer ("Adam & Eve & Pinch Me," "The Field of Mustard"); Jan. 13, London (reported Jan. 18).

Edwin H. Denby, 84, architect, type designer, composer & painter; Jan. 17 in New York.

Herbert B. Elliston, 61, English-born "Washington Post" ed. 1940-53, winner 1949 Pulitzer Prize for editorial writing, econ. adviser to Chinese Government 1925-27; Jan. 22 in Washn. of heart attack. [See Vol. XI, p. 152A]

Lucy A. Goldthwaite, 78, N.Y. Public Library for the Blind librarian 1905-52, Braille Book Review founder 1931; Jan. 21, St. Augustine, Fla.

George Gustav Heye, 82, Museum of the Amer. Indian founder in 1922, Explorers Club pres. 1923-30; Jan. 20 in New York.

Albert Johnson, 87, U.S. Rep. (R., Wash.) 1913-33, co-author of 1924 immigration bill which set quota at 2% of 1890 arrivals, virtually excluded Japanese; Jan. 17 near Tacoma.

William Philip Simms, 75, UP World War I correspondent, Scripps-Howard forgn. ed. 1920-50; Jan. 16 in Washn.

Arturo Toscanini, 89, regarded as world's foremost orchestra & opera conductor; Jan. 16 in New York.

Toscanini was born Mar. 25 1867 in Parma, Italy, son of a tailor who sent him to Parma Conservatory of Music, where he studied cello. Made his debut at 17, conducted professionally for first time in Rio de Janeiro at 19—after conductor had resigned and because Toscanini had memorized score of "Aida." (Toscanini was forced to memorize all musical scores because of nearsightedness.) Became musical dir. 1889 of La Scala Opera (Milan), then headed by gen. mgr. Giulio Gatti-Casazza; remained with La Scala until both joined N. Y. Metropolitan Opera 1908 in same capacities. Toscanini quit Met in 1915 due to differences with Gatti-Casazza. Conducted N.Y. Philharmonic 1926-36 & NBC Symphony (especially created for him to lead) 1936-54.

Noted for fiery temperament & interpretations of Verdi, Wagner & Beethoven, Toscanini once was beaten by Italian hoodlums for refusing to play Fascist hymn "Giovinezza." Often demonstrated opposition to Mussolini regime in Italy and refused to conduct Salzberg Festival during Nazi occupation of Austria. [See Vol. XVI, pp. 104G3, 95G1; XIV, 114B3, 376G3]

Wide World

TOSCANINI

Sir John Waddington, 66, Gov. of Northern Rhodesia 1941-47, Barbados 1938-41; announced Jan. 21, London.

SPORTS

Winners

Auto racing: The Ferrari team of Masten Gregory, Eugenio Castellotti & Luigi Musso won the City of Buenos Aires 1,000-km. (621-mi.) sports car race Jan. 20. [See p. 16B1] . . . **Golf:** Ed Furgol of St. Andrews, Ill. won the $15,000 Caliente open at Tijuana, Mexico Jan. 20, for $2,000 [see p. 16C1; Vol. XVI, 304G1]. Betsy Rawls of Spartanburg, S.C. won the Tampa (Fla.) women's open Jan. 20. [See p. 16C1; Vol. XVI, 148B1] . . . **Horse racing:** Calumet Farm's Bardstown, Willie Hartack up, won the $68,500 Tropical Handicap Jan. 16 at Tropical Park (Coral Gables, Fla.), for $49,900. [See Vol. XVI, pp. 360F2] . . . **Swimming:** Murray Rose, 17, of Sydney, Australia broke world records in swimming the 440-yd. freestyle in 4 min. 27.1 sec. and the 400-meter free-style in 4:25.9 in Sydney Jan. 12. [See Vol. XVI, p. 416A1]

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Sandy Saddler, 30, world featherweight boxing champ, announced his retirement from boxing Jan. 22 in New York after doctors advised him that he would risk blindness, due to eye & brain injuries sustained in an auto accident last July 27, should he continue to box. He had been suspended as champion by the Natl. Boxing Assn. Jan. 16 for not defending his title the past year. [Vol. XVI, 32A2]

MISCELLANEOUS

Accidents & Disasters. 36 persons, mostly civilians, were killed in an artillery-range shell explosion Jan. 20 in central Taiwan (Formosa). . . . 20 persons, including the bride, at a wedding celebration in Kandy, Ceylon were burned to death Jan. 21 when fire destroyed a thatched cottage where the celebration was held. . . . 12 USAF crewmen died when their WB-50 weather plane crashed & exploded Jan. 17 immediately after taking off from Eielson AF Base, Alaska. . . . 8 persons were killed in Gans, Okla. & 3 in northwestern Louisiana by tornadoes Jan. 22.

Crime. George P. Metesky, 54, was arrested in Waterbury, Conn. Jan. 22 as the "mad bomber" who had planted 32 bombs in the N.Y. area & injured 15 persons the past 16 years. Metesky apparently bore a grudge against the Consolidated Edison Co., for whom he had worked in 1931, because he had not been compensated for TB allegedly contracted through inhaling gas. He had been traced through notes written to the "N.Y. Journal American" and Con. Edison files on compensation claims. [See Vol. XVI, p. 440D2] . . . Acountry grand jury in Los Angeles, jury, after 3 days of testimony about the Marie McDonald kidnaping case, issued a statement Jan. 22 that the majority of the jurors "believe that a serious crime might have been committed. . . . but could not agree that an indictment . . . would advance the conviction of those responsible." [See p. 8E3]

Married: Gov. Robert B. Meyner (D., N.J.), 48, to Helen Day Stevenson, 28, daughter of Oberlin (O.) College Pres. Wm. E. Stevenson; Jan. 19 in Oberlin. [See Vol. XVI, p. 196C3]

Divorced: German munitions mfr. Alfred Krupp, 48, from his wife, Vera, 42; Jan. 18 in Bonn. (Mrs. Krupp had obtained a Las Vegas divorce by default Jan. 9.) [See p. 16F3]